

Median Family Income

DEFINITION

Median family income is the dollar amount which divides Rhode Island families' income distribution into two equal groups – half with incomes above the median and half with incomes below the median. The numbers include only families with their “own children” under age 18, defined as never-married children who are related to the family head by birth, marriage, or adoption.

SIGNIFICANCE

Median family income is a measure of the ability of families to meet the costs of food, clothing, housing, health care, transportation, child care, and higher education. In 2019, the median family income for Rhode Island families with their own children was \$82,251.¹

Between 2016 and 2020, in Rhode Island, the median family income for married two-parent families (\$111,467) was twice that of male-headed single-parent families (\$55,184) and more than three times that of female-headed single-parent families (\$33,933).²

Prior to the COVID-19 pandemic in 2019, Rhode Island's unemployment rate was 3.5%, before increasing to 9.3% in 2020 and then declining to 5.5% in 2021. Rhode Island continues to have gaps in unemployment rates by race and ethnicity. In 2021, the unemployment rate was 10.1% for Hispanic workers, 9.4% for Black

workers, and 5.0% for white workers.^{3,4,5}

Even when Rhode Island's unemployment rate is low, many workers are unable to find full-time work and struggle to make ends meet with inadequate and unpredictable income.⁶ In 2018, more than 22 million people in the U.S. worked in low-wage jobs (less than \$12 per hour), and job losses during the pandemic disproportionately affected low-wage workers.^{7,8} Conditions at low-wage jobs, such as fluctuating work hours, lack of paid time off, and strict attendance policies can harm children's development by making it difficult for parents to find and keep affordable high-quality child care for their children.⁹

In the U.S., income inequality has grown substantially since the 1970s.¹⁰ In 2018 in Rhode Island, the top 1% of households held almost 17% of total income. Rhode Island has the 29th highest income inequality of the 50 states based on the share of income held by the top 1% of households.¹¹

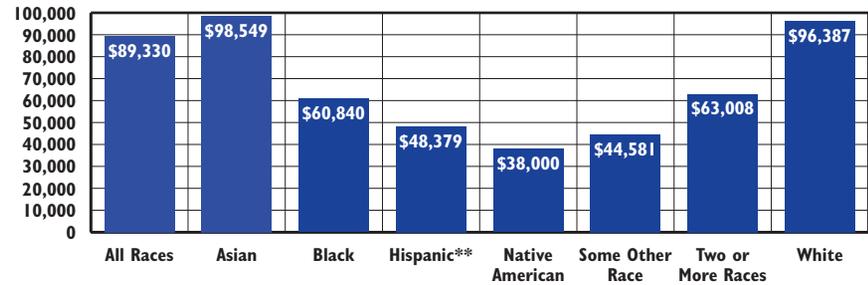
Median Family Income	
	2019
RI	\$82,300
US	\$78,000
National Rank*	17th
New England Rank**	4th

*1st is best; 50th is worst

**1st is best; 6th is worst

Source: The Annie E. Casey Foundation, KIDS COUNT Data Center, datacenter.kidscount.org

Median Family Income, by Race and Ethnicity, Rhode Island, 2016-2020*



Source: U.S. Census Bureau, American Community Survey, 2016-2020. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113F, B19113G, and B19113I. *Median Family Income by race and ethnicity includes all families because data for families with “own children” are not available by race and ethnicity. **Hispanic families may be in any race category.

◆ The median income for Asian and white families in Rhode Island is much higher than that of Black, Hispanic, and Native American families, and families of Some other race or Two or more races.¹²

◆ Educational attainment is strongly associated with economic well-being. Rhode Islanders who have achieved a bachelor's degree have double the median earnings compared to workers who have not completed high school. In Rhode Island, one in four Hispanic adults, almost one in six Black adults, and nearly one in 10 white adults lack a high school diploma.¹³

◆ According to the *2020 Rhode Island Standard of Need*, it costs a single-parent family with two young children \$57,671 a year to pay basic living expenses, including housing, food, health care, child care, transportation, and other miscellaneous items. This family would need an annual income of \$66,057 to meet this budget without government subsidies.¹⁴

◆ An adequate minimum wage and income support programs (including RIte Care health insurance, child care subsidies, SNAP benefits, the Child Tax Credit, and the Earned Income Tax Credit) are critical for helping low-and moderate-income working families in Rhode Island make ends meet, and expanding these programs would help decrease racial and ethnic disparities in meeting basic needs.¹⁵

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Table 6. Median Family Income, Rhode Island, 2016-2020

2016-2020 MEDIAN FAMILY INCOME FOR FAMILIES WITH CHILDREN UNDER AGE 18		
CITY/TOWN	ESTIMATES WITH HIGH MARGINS OF ERROR*	ESTIMATES WITH LOWER, ACCEPTABLE MARGINS OF ERROR
Barrington		\$150,522
Bristol		\$115,500
Burrillville		\$103,897
Central Falls		\$32,983
Charlestown		\$81,303
Coventry		\$96,573
Cranston		\$86,083
Cumberland		\$113,396
East Greenwich		\$170,000
East Providence		\$79,784
Exeter	\$190,313	
Foster		\$104,208
Glocester		\$117,813
Hopkinton	\$101,000	
Jamestown	\$238,583	
Johnston		\$100,906
Lincoln		\$117,569
Little Compton	\$89,321	
Middletown		\$82,995
Narragansett	\$127,132	
New Shoreham		\$56,548
Newport	\$66,600	
North Kingstown		\$126,368
North Providence		\$67,389
North Smithfield		\$113,646
Pawtucket		\$50,776
Portsmouth		\$158,735
Providence		\$50,393
Richmond		\$113,839
Scituate	\$115,893	
Smithfield		\$119,400
South Kingstown		\$118,859
Tiverton		\$102,188
Warren		\$97,798
Warwick		\$88,135
West Greenwich		\$145,326
West Warwick		\$65,874
Westerly		\$99,092
Woonsocket		\$39,629
Four Core Cities		NA
Remainder of State		NA
Rhode Island		\$83,161

Source of Data for Table/Methodology

Median family income data include only households with children under age 18 who meet the U.S. Census Bureau's definition of a family. The U.S. Census Bureau defines a family as a household that includes a householder and one or more people living in the same household who are related to the householder by birth, marriage, or adoption.

The 2016-2020 data come from a Population Reference Bureau analysis of 2016-2020 American Community Survey data. The American Community Survey is a sample survey, and therefore the median family income is an estimate. The reliability of estimates varies by community. In general, estimates for small communities are not as reliable as estimates for larger communities.

*The Margin of Error around the estimate is greater than or equal to 25 percent of the estimate.

The Margin of Error is a measure of the reliability of the estimate and is provided by the U.S. Census Bureau. The Margin of Error means that there is a 90 percent chance that the true value is no less than the estimate minus the Margin of Error and no more than the estimate plus the Margin of Error. See the Methodology Section for Margins of Errors for all communities.

Core cities are Central Falls, Pawtucket, Providence, and Woonsocket.

NA: Median family income cannot be calculated for combinations of cities and towns (i.e., Four Core Cities and Remainder of State).

References

- U.S. Census Bureau, American Community Survey, 2019. Table B19125.
- U.S. Census Bureau, American Community Survey, 2016-2020. Table B19126.
- Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2019 annual averages – Rhode Island.* (n.d.). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.

⁴ *Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2020 annual averages – Rhode Island.* (n.d.). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.

⁵ *Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2021 annual averages – Rhode Island.* (n.d.). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.

⁶ *State of working Rhode Island 2017: Paving the way to good jobs.* (2017). Providence, RI: The Economic Progress Institute.

⁷ Tucker, J., & Vogtman, J. (2020). *When hard work is not enough: Women in low-paid jobs.* Washington, DC: National Women's Law Center.

⁸ Gould, E., & Kandra, J. (2021). *Wages grew in 2020 because the bottom fell out of the low-wage labor market: The state of working America 2020 wages report.* Washington, DC: Economic Policy Institute.

⁹ Vogtman, J., & Schulman, K. (2016). *Set up to fail: When low-wage work jeopardizes parents' and children's success.* Washington, DC: National Women's Law Center.

¹⁰ Stone, C., Trisi, D., Sherman, A., & Beltrán. (2020). *A guide to statistics on historical trends in income inequality.* Washington, DC: Center on Budget and Policy Priorities.

¹¹ Frank, M. W. (2021). *U.S. state-level income inequality data.* Retrieved March 10, 2022, from www.shsu.edu

¹² U.S. Census Bureau, American Community Survey, 2016-2020. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113E, B19113G, & B19113I.

¹³ U.S. Census Bureau, American Community Survey, 2016-2020. Table S1501.

^{14,15} *The 2020 Rhode Island standard of need: COVID-19 edition.* (2020). Providence, RI: The Economic Progress Institute.